

**Economic Development,
Agriculture & Trade Committee**

HB 2535

Brief Description: Allowing public facilities districts to finance remodeling or reconstruction of existing minor league baseball stadiums and related parking facilities.

Sponsors: Representatives Darneille, Green, Roberts and Conway.

Brief Summary of Bill

- Authorizes a city formed public facilities district (PFD) to acquire, own, remodel, maintain, equip, reequip, repair, finance, and operate an existing minor league baseball stadium.
- Authorizes a city PFD to impose an admission tax, vehicle parking tax and a sales and use tax to remodel or repair an existing minor league baseball stadium so long as work commences prior to January 1, 2008.

Hearing Date: 1/25/06

Staff: Tracey Taylor (786-7196).

Background:

A public facilities district (PFD) may be created upon adoption of a resolution by the legislative authority in which the proposed district is located. A PFD is a municipal corporation, and independent taxing authority within the meaning of Article VII, Section 1 of the State Constitution, and a taxing district within the meaning of Article VII, Section 2 of the State Constitution. A PFD is a body corporate and possesses all the usual powers of a corporation for public purposes or specially conferred by statute.

A PFD is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate sports facilities, entertainment facilities, convention facilities or regional centers, together with contiguous parking facilities. In addition to existing authorities, public facilities districts formed after January 1, 2000, may acquire, construct, maintain, and operate recreation facilities other than ski areas.

The districts formed prior to 2002 may impose a 0.033 percent sales tax that is deducted from the state sales tax and is not an increase to taxpayers. A PFD also may levy a 0.2 percent sales tax and a 2 percent lodging tax if approved by a majority of voters in the district. A PFD may also

levy an admission charge, not to exceed 1 cent for every 20 cents charged for admission. An admission charge includes charges made for season tickets or subscriptions, a cover charge, food and beverage charges, rental or use charges for the equipment and/or facilities, and automobile charge based on the number of passengers in the vehicle. A PFD may also impose parking charges.

Summary of Bill:

In addition to the regional centers and special events centers, public facilities districts created by a city are authorized to own, remodel, maintain, equip, reequip, repair, finance and operate existing minor league baseball stadiums. The minor league baseball stadium must exist and be in use on the effective date of the act, and a minor league baseball team affiliated with a major league baseball club has utilized the stadium for at least a portion of the past two years.

The PFD's board of directors may impose charges or fees for the use of the facilities, admission charges, vehicle parking charges, and sales and use taxes. The board may also accept and use gifts, grants, and donations. The admissions tax may not exceed 1 cent on every 20 cents paid by a person for admission to the minor league baseball stadium. A parking charge of up to 10 percent is authorized. A sales and use tax may be imposed by a PFD for the remodel or reconstruction of an existing minor league baseball stadium and related parking facilities, so long as the work commences prior to January 1, 2008. The tax may be imposed for a period of up to 10 years in order to retire bonds used to finance the remodel or reconstruction.

Appropriation: None.

Fiscal Note: Requested on January 16, 2006.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.